

tyco*Plastics &
Adhesives***Tyco
Plastics***Tyco Plastics
1401 West 94th Street
Minneapolis, MN 55431**952 885-9232
fax: 952 885-9317***Telefax Transmission****Date:** 1-20-05**Company:** CIWMB**Attention:** MICHAEL LEON**CC:** _____**Fax No.** 916/319-7318**From:** Mike Jackelen**Number of pages** 3 *(including this one)*



Tyco Plastics
1401 West 94th Street
Minneapolis, MN 55431

952/884-7281

January 20, 2005

Michael Leao, Supervisor
Plastic Recycling Technologies Section
California Integrated Waste Management Board
1001 I Street, P.O. Box 4025
Sacramento, CA 95812
Fax (916) 319-7318

Dear Mr. Leao:

It is the purpose of this letter to comment on the proposed recommendations in the Plastic Trash Bag Program Legislative Report dated December 17, 2004.

Background

Tyco Plastics is a \$1 billion manufacturer of various plastic films including:

1. Trash bags purchased by consumers at retail (Ruffies® and Private Labels)
2. Trash bags purchased by businesses for business use
3. Stretch films
4. Plastic sheeting and drop cloths
5. Agricultural films
6. Packaging films

The company operates two film plants in California. The plants are located in Santa Fe Springs and City of Industry. Tyco Plastics has consistently passed the state of California's certification requirements regarding Post Consumer Resin (PCR) in its trash bags.

We have the following comments and questions regarding the December 17, 2004 draft report to the legislature:

- 1) **Memorandums of Understanding (MOUs)** - The report directs the Board to negotiate and execute MOUs with plastic film stakeholders including manufacturers, distributors, retailers, waste collectors, recyclers, re-processors and local and state government agencies. We have several questions regarding this:
 - a. How would this process work?
 - b. How will these stakeholders be identified and chosen?
 - c. How will importers/imported products be addressed?
 - d. Each stakeholder will have different goals and objectives. How will conflicts among the stakeholders be resolved?
 - e. What constitutes agreement regarding the appropriate subjects (e.g. diversion goals and targets)?

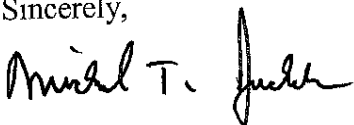
2) Proposed mil tax on plastic film to be enacted if the diversion targets are not met or if the MOUs are not successfully negotiated.

- a. How would the tax be collected?
- b. The current recycled content regulation discriminates against US manufacturers because imported products are not, by the Board's own admission, adequately policed. The draft report does not explain how "importers" will be identified so as to collect the proposed mil tax. Once again, this would give a competitive advantage to the importers and negatively affect US employment.

3) Exempting "biodegradable" plastic films from the diversion targets and mil tax

- a. We take issue with the term "biodegradable film plastics." Polyethylene doesn't really biodegrade; it just breaks into smaller pieces. The effect of these small plastic bits on the environment is unknown.
- b. The draft report notes that only one foreign manufacturer filed a compliance report in 2003. What steps would the Board take to improve foreign compliance for "biodegradable" products?

Sincerely,



Michael T. Jackelen
Vice President of Marketing
Tyco Plastics
mike.jackelen@tycoplastics.com